

CFDF Corporation

Minutes of Meeting

Tuesday, January 2, 2007 at 6:00 pm

(Regular December, 2006 Business Meeting)

I. Call to Order: Meeting was called to order at 6:10 pm.

II. Roll Call: All Board members were present with the exception of Eugene Racquier. Also present were Chris Orton, Wayne Salisbury, and Tony Ventetuolo.

III. Secretary's Report: On a motion by Maurice Brousseau seconded by Augie O'Connor the Board voted 4-0 to accept the minutes of the November 28, 2006 Board meeting.

IV. Treasurer's Report: On a motion by Maurice Brousseau seconded by Augie O'Connor the Board voted 4-0 to accept the financial report and balance sheet for the period ending November 30, 2006. It was noted that this report and the next one will be fairly extensive as AVCORR is verifying all the accounts, moving expenditures to proper accounts and preparing for the 2006 audit.

V. Executive Session: On a motion by Casey Andrade seconded by Maurice Brousseau the Board voted 4-0 to go into Executive Session

at 6:20 pm to discuss facility security issues and litigation. The Board came out of Executive Session at 6:30 pm and voted 4-0 to close the minutes of the executive session.

VI. Old Business:

a. Project Banking: The IXIS Funding report for the period of 11/01/06 through 11/30/06 was presented to the Board. It was also noted that the interest paid from these accounts is sent to the accounts every 6 months.

b. Bank of America Account: Activity sheets for the Bank of America account for the month of November, 2006 were provided. The approximate balance in that account is \$420,000.00.

c. Trustee Removal: It was noted that there was one last letter being required by the underwriter for the old 1991 bonds. Ray Meador has been in touch with this individual and we are awaiting this one last letter from him to US Bank to effectuate the Trustee removal.

d. Per Diem Negotiation: Mr. Ventetuolo presented the Board with the finalized BICE Agreement which increases the per diem to \$96.00 and adjusts the transportation costs upward and provides for a long term agreement with an annualized CPI increment adjustment. Mr. Ventetuolo discussed the onsite tour by the BICE officials from Hartford who were very excited about the possibility of using the Wyatt facility for up to 300 BICE detainees in the Hartford district. It was also noted that there are an additional 100+ in the Boston District through BICE who are available to be using the facility. The BICE

officials looked at the courtroom and staff office areas and were excited about utilizing those areas also. Mr. Ventetuolo reviewed some of the key issues of the BICE proposal with the Board.

e. CFDF Resolution: A copy of the resolution that was passed at the last meeting which accepted the general provisions of the new BICE agreement was sent to BICE officials in Washington and a copy was provided to the Board members.

f. US Marshals Negotiation: Mr. Ventetuolo discussed the ongoing obstructive practices being experienced with the US Marshals Services in Washington relative to negotiating a per diem. It was also noted that the Department of Justice and the Office of Detention Trustee are now involved in this process since the Marshal Services have not responded in over a year and a half of requests to negotiate a new per diem. Mr. Ventetuolo indicated that documents outlining the activities that have taken place over this period of time were sent to Max Hamel in Washington to be sent to the Office of Detention Trustee to document the situation.

g. Expansion Project Status:

1. Levien-Rich observation report #17 was presented to the Board for their review.

2. AVCORR provided a schedule of its monitoring to the Board. It was noted that as of the meeting I Pod and L Pod have been taken over by the operation and that I Pod has been fully operational for several weeks. L Pod will be occupied within the next several days.

3. Minutes of Owners Meeting #37 were presented to the Board.

4. Mr. Ventetuolo provided the Board with Certificates of Occupancy

for areas that have been certified and taken over by the operator including I Pod, L Pod, Visiting Area, Administration Area and some adjacent corridors and support areas. It was noted that, to go along with the Certificate of Occupancy a February 1st date has been established as the breakpoint for warranty work, maintenance and utility costs between the contractor and the facility. An understanding has been made so both the operator and the contractor in a fair way to identify costs to each side.

5. A letter provided to Ben Erwin from AVCORR which expressed disappointment in the staffing plan that was provided to the Wyatt in an effort to identify larger profit levels for Cornell was provided to the Board. Also provided, was the Pulitzer/Bogard (P/B) report which AVCORR requested that they review the Cornell proposal with regard to security and safety issues. It was noted that the P/B report was extremely critical of the Cornell proposal in terms of overall security, safety and operational efficiency. It was noted that the P/B report called for 207 FTE's vs 160 provided for by Cornell. The letter to Cornell also indicated that the Wyatt will operate at a certain level and again asked Cornell to state its commitment to reasonable and secure services at the Wyatt facility. A copy of that letter is enclosed.

6. A discussion with Mr. Orton and the Board centered on a possible vehicle to extend contract negotiations with the Operator. Mr. Orton has researched with our IRS Attorney a vehicle for moving forward within the guidelines of the IRS decision. Over the next several days Mr. Orton will be sending Cornell a Memorandum of Agreement whereby both parties can extend negotiations during the transition

period which is effective January 1, 2007.

VII. New Business:

a. Vermont DOC: Mr. Ventetuolo discussed that status of the Request for Proposal that was sought by the Vermont Department of Corrections. A letter of intent has been sent to Vermont indicating that the Wyatt is interested in providing housing for the State of Vermont. There was also a pre-bid meeting held in St. Albans, VT, which AVCORR staff attended. It was also discussed that on 12/28 three senior officials from the Vermont Department of Corrections the Wyatt facility, both the existing and the new part of the facility. They were very pleased with the facility and discussed their desire to look at the possibility of utilizing up to 80 beds. The RFP will be submitted to the State of Vermont on January 12, 2007.

b. DEM Status: Remedial Action Work Plan comments were provided to the Board whose noted that all activities currently within guidelines as established by DEM.

c. Global Revenues: The attached revenue from Global for the month of November was noted at \$26,500.00.

d. TST Inmate Legal Services Agreement: It was discussed that two more computerized legal stations have been ordered to accommodate the expanding inmate population. This software and computerized programs will cost \$2600.00 per month which includes updates of materials and provides the population with the legal access that they will require.

- e. CFDF Christmas Donation:** A copy of the check that was donated to the Wyatt operation was presented by the Board.
- f. Press Coverage:** Several recent articles relative to the expansion and to various programs at the Wyatt were presented to the Board.
- g. 2006 Audit Process:** Mr. Ventetuolo discussed that they are currently verifying accounts and that the auditors have met for the past week to review/test all expenditures during 2006. The final audit will formally begin on February 12, 2007 and Mr. Orton is currently reviewing the Letter of Engagement to the audit firm.
- h. Community Alert Network :** The Board discussed the practical concerns with continuing with the Community Alert Network. Warden Salisbury is going to discuss with Central Falls Police Department the possibility of using 911 system in lieu of the Community Alert Network, thereby saving additional funds.

VIII. Other:

- a. Requisitions:** On a motion by Maurice Brousseau seconded by Augie O'Connor the Board voted 4-0 to pay requisitions ORA-119, GRA-113, EPA-116, EPA-117, COI-117, CIF-157, CIF-158, and CIF-159.
- b. 2007 Business Meetings:** The Board discussed business meetings slated for FY2007 and agreed to those listed. AVCORR will post these dates with the appropriate agencies.

IX. Adjournment: On a motion by Maurice Brousseau, seconded by Casey Andrade the Board voted 4-0 to adjourn at 7:45 pm.